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Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

October 31, 2005

Mike Glasson, Environmental Coordinator
Andalex Resources, Inc.
P.O. Box 902
Price, Utah 84501

Subject: Division Order-Design Drawings and Specifications, Andalex Resources, Inc., Wildcat Loadout, C/007/0033, Task ID #2182, Outgoing File

Dear Mr. Glasson:

The Division has reviewed information you provided on March 15, 2005 in response to the Division Order dated December 9, 2004. The Division found the information did not adequately address the three items listed in the Division Order.

Division staff outlined the information that must be provided to satisfy the Order. The list is included with this letter. The R645 Coal Mining Rules are cited with each request. For clarification or more information, you can contact the Division specialist whose initials are at the end of each deficiency. Technical Memos prepared by each of the reviewers are available upon request.

pwb	Priscilla Burton	(435) 613-1146 x 207
jae	Jerriann Ernstsen	(801) 538-5214
phh	Peter Hess	(435) 613-1146 x 203
jds	Jim Smith	(801) 538-5262

The delay in the Division's review of this information is due to several emergency review requests received throughout the past field season. We apologize for the inconvenience and request that you respond within 30 days so that this task can be completed this year.

If you have any questions, please call Priscilla Burton at 613-1146 ext 207 or me at (801) 538-5268.

Sincerely,

/S/

Pamela Grubaugh-Littig
Permit Supervisor

PWB/sd
cc: Price Field Office
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TECHNICAL DEFICIENCIES

Division Order-Design Drawings and Specifications, Task ID #2182

R645-301-526.220 *et seq* and R645-303-220 and R645-301-121.100, The Permittee must clarify this statement on p. 4-9 that "the problem of coal fine accumulation on, and around, this area has been addressed," such that the Permittee does not present the problem as past tense. [jae]

R645-301-526.220 *et seq* and R645-303-220 and R645-301-331, R645-301-333, The Permittee submitted a plan to remove accumulated coal fines within the permit area by vacuuming the surface. This technique, although commonly used in the past, is no longer acceptable to the Division. Vacuuming tends to re-deposit dust, disturb native soil surfaces, and impact local vegetation. The Permittee must provide a clean-up solution that will minimize re-distribution of dust and disturbance to the native soil and local plants. [jae]

R645-301-526.220 *et seq* and R645-303-220 and R645-301-322.100, R645-301-331, R645-301-333, The submittal includes a response to the DO from Patrick Collins (App. P). The primary point that the Permittee must focus on is that coal fines should not accumulate off the permit area. The Permittee must provide measures that will protect the area from further deposition. To adequately respond to item #3 of the Division Order, the Division requests that the Permittee provide baseline data of coal fine deposition (depth and area) on the non-permit area and provide a monitoring schedule. The Permittee must use the same monitoring method used to collect baseline. The Division considers the methods described in the Collins 2003 report as appropriate. Furthermore, the Division requests that the Permittee provide a report in the Annual Report that clearly defines the methods used for baseline and monitoring as well as discusses the results. [jae]

R645-301-526.220 *et seq* and R645-303-220, •Control #11, as listed on p. 4-10 of the information received in response to the Division Order stipulates the following; “Coal moisture is maintained at a minimum of 6% overall.” Based upon this moisture specification, the Division would like to know the following:

1 How does the Permittee confirm that this moisture specification is being maintained?
2 At what location and at what intervals are moisture analyses performed? Does the Permittee have automatic moisture analyzers located on stockpile conveyors to continuously monitor the moisture content of the coal reporting to these stockpiles? Are the analyses performed in the Wildcat laboratory?
3 Does the Permittee maintain records of these analyses? Does a Professional Engineer certify the analyses or does the Permittee take a sample to a State certified laboratory for verification? [phh]

•Control #12 (p. 4-10) states that “the moisture content of the material passing a #40 U. S. Standard Sieve (<0.635 MM in diameter) is at least 4% by weight.”

The Division requires the following information from the Permittee:

1 What percentage of the coal volumes reporting to the open stockpile locations is smaller than 0.635 MM in diameter (i.e., < #40 U.S. Standard Sieve mesh)?

2 How does the Permittee maintain the < #40 mesh material at a 4% moisture content by weight?

3 How and where does the Permittee apply moisture to the coal to maintain the 4% moisture content? A schematic depicting moisture application points is required to adequately answer this question. Information on conveyor(s) capacity is also needed to determine what volume of water must be added to the coal volume conveyed to meet the 4% by weight moisture content requirement. [phh]

Along with the information requested above, the Permittee might want to include a general description of the penalty for excessive moisture in the coal being shipped from the Wildcat Loadout facility (specific contract information is not requested). [phh]

•The Division requests that General Condition #19, p. 5 of DAQE-IN0113007-04 is included in Chap 4 of the MRP. [phh]

•The Division requests that the Permittee establish specific relative humidity ranges and specific wind velocities to trigger watering of the stockpile areas. The Permittee must also provide the following information in the MRP:

1 How does the Permittee water the open stockpile storage areas? A description including text, schematics and drawings is necessary in order to adequately respond to this question.

2 Is sampling and moisture analysis of the coal within the stockpile performed? If so, are moisture content records maintained? Will they be available during Division inspections?

3 What criteria are used when determining whether or not it is necessary for the Permittee to water the storage piles? What range of relative humidity percentile is used to determine when watering is necessary? Is there a minimum wind velocity established to trigger watering of the stockpiles? [phh]